



Report to the Auburn City Council

Action Item

13

Agenda Item No.


City Manager's Approval

To: Mayor and City Council Members
From: Wilfred Wong, Community Development Director
Date: July 25, 2011
Subject: Blocker Drive Appraisal and Authorization for Funding

The Issue

Should an appraisal be completed for the Blocker Drive property, which is owned by the Auburn Urban Development Authority (AUDA)? If the City Council decides to move forward with an appraisal, staff will execute a Professional Services Agreement with a qualified appraiser for an amount not to exceed \$5,000 (General Fund).

Conclusions and Recommendation

Discuss and provide direction to staff.

Background and Analysis

Council Member Holmes has requested that the Council consider moving forward with an appraisal of the AUDA's Blocker Drive property (see Exhibit A for location).

The last action taken by the City Council on the Blocker Drive property occurred on April 14, 2008 (see Exhibits B and C for the staff report and minutes). By a 4-1 vote the Council directed staff to continue working with the developer for the Baltimore Ravine Specific Plan to determine the impact upon City services and finalize steps needed to determine the feasibility of a new corporation yard, fire station with storage area to accommodate safety vehicles, multi-modal rail station future parking needs, and road access to either Merrow Court or Buena Vista/Greenwood Street. At that time the Council did not direct staff to pursue the two alternatives mentioned in the staff report: (1) Direct staff to proceed with an affordable housing project on the Blocker Drive property (2) Direct staff to formulate other development options.

Recently, on February 28, 2011 the City Council took final action on the Baltimore Ravine Specific Plan. With the completion of the Specific Plan staff can now move forward to complete the work on the Blocker Drive property as directed by the City Council on 2008. Note due to the recession, staff layoffs, other city priorities, and Assembly Bills No. 26 and 27 this project may not be a high priority to complete at this time.

On June 29, 2011 Assembly Bills No. 26 ("ABX1 26") and 27 ("ABX1 27") became effective. These bills were signed into law by the Governor as part of California's budget package and affect all California redevelopment agencies.

ABX1 26 ("Dissolution Bill") sets strict limits on what redevelopment agencies may do between its effectiveness date and October 1, 2011, when all redevelopment agencies will be dissolved unless the legislative body enacts an ordinance pursuant to ABX1 27 ("Continuation Bill") committing itself to make payments to school districts and special districts ("Continuation Payments"). Until enactment of that ordinance ("Continuance Ordinance"), agencies are prohibited from entering into new agreements or indebtedness, except as necessary to carry out enforceable obligations entered into prior to June 29, 2011. So an agency may not incur indebtedness, refund or restructure indebtedness, redeem bonds, modify or amend the terms of payment schedules, execute deeds of trust or mortgages, or pledge or encumber any of its revenue. Therefore, if the Council decides to proceed with an appraisal it will be funded from the city's General Fund.

Staff is analyzing the impacts of ABX1 26 and ABX1 27 on our redevelopment agency and will be bringing to the Council its recommendations at a future meeting.

Alternatives Available to Council; Implications of Alternatives

1. Direct staff to proceed with an appraisal on the AUDA's Blocker Drive property.
2. Take no action.

Fiscal Impact

Funding for the appraisal, which will not exceed \$5,000.00, will come from fiscal year 2011-2012 Community Development Department professional services budget.

Additional Information

For additional information see the following Exhibits:

- A. Location of AUDA's Blocker Drive property.
- B. April 14, 2008 City Council minutes.
- C. April 14, 2008 City Council staff report.



EXHIBIT A



EXHIBIT B

of Auburn. He said he favored a continuance just to see if any more progress can be made, but at some point the City must get started on the improvement of our plant.

By **MOTION** continue the matter to the meeting of April 28, 2008.

MOTION: Snyder

SUBSTITUTE MOTION; by **RESOLUTION 08-44** resume the final design of the Wastewater Treatment Plant Upgrade and direct staff to prepare a letter for the Central Valley Regional Water Quality Control Board and send the letter in 16 days. **MOTION: Hanley/Holmes/Approved 4:1 (No Snyder)**

Council Member Snyder opposed the motion because he wants the staff to bring information to the Council within the next two weeks and did not feel the motion gave proper direction to staff. He said the Council is still open to receiving more information and the motion means that a decision has been made.

Mayor Nesbitt requested, without Council objection, that Item 11 be heard prior to item 10.

11. **Blocker Drive Recommendation**

Community Development Director Will Wong introduced the item. He explained that the Blocker Drive property had originally been purchased in the early 1970's specifically for a site for the corporation yard. He said that in 1997 a portion was purchased by the Redevelopment Agency with housing funds. He described the surrounding property and the city-owned adjacent parcel, donated to the City when Southern Pacific and Union Pacific Railroads merged. He said without that adjacent property the City would not be able to access the 12.6 acre property. He said that one of the considerations was that whenever the property was developed there would be an additional connection to Prospect Hill. He said the General Plan addresses it. He said both Prospect Hill and Hidden Creek residents have always expressed concern about an additional emergency access.

Mr. Wong said that staff feels there is a current need for additional storage area, corporation yard expansion, possibly a fire station north of I-80, and rail station parking. He said there is definitely a wetland area crossing between the corporation yard and the rail parking lot. He said that staff's recommendation is to continue work on the specific plan and continue to research and consolidate the City needs.

Council Member Holmes said that the property has been discussed for co-housing or some other type of housing project. He said staff is now

asking that for more time to study the City's needs. He said over the past five years a number of people have asked that the area be explored for a co-housing project and that has not been considered in the report. He said the property was purchased with funds for housing. He asked what the cost would be to the City to buy the property from the Redevelopment Agency to use it for other purposes. He said he has been asking for the property to be appraised for quite some time.

Mr. Richardson said that staff is being responsive to the Council by coming back with its recommendation. He said it is one of the few pieces of land the City has to expand operations which the City will need if Baltimore Ravine becomes a viable project. He said staff will need Council's direction stating that the City would like the property for residential land in order to move forward with an appraisal. Mr. Holmes said the Baltimore Ravine Specific Plan would allow storage of equipment that is not currently being used. Mr. Holmes said if a price was obtained, we would ask various groups if there were interested in the property. He said it would be a good opportunity to create another exit from Prospect Hill. Mr. Holmes said it has to be appraised if the City buys it from the Redevelopment Agency. Mr. Richardson said an appraisal would be based on ultimate use.

Bob Dasaro, 240 Hidden Creek, asked if the Baltimore Ravine Specific Plan will include any affordable housing. Community Development Director responded that there would be affordable housing and the offer has been made from the developer to the co-housing group to have co-housing within the specific plan. Mayor Nesbitt said since the property was purchased by the Auburn Urban Development Authority, specifically for housing, the proceeds would be used for low-income housing projects throughout the City. Mr. Dasaro said the homeowners are very concerned about what the City will do with the property. He said there is considerable traffic in the area of the train station that should be considered prior to making decisions about the property.

Allison Easton, 250 Hidden Creek Drive, stated that she wanted to clarify that there is a significant difference between co-housing and low-income housing. She said co-housing is an elite environment and certainly not low-income or affordable housing. She said the residents oppose low-income housing and further traffic congestion in the area.

Community Development Wong explained how the property was purchased and how the City could purchase it from the Redevelopment Agency. He said the staff's recommendation is to hold onto the property for possible City storage use without making a commitment for development.

By **MOTION** direct staff to continue working with the developer for the Baltimore Ravine Specific Plan to determine the impact upon City services and finalize steps needed to determine the feasibility of a new corporation yard, fire station with storage area to accommodate safety vehicles, multi-modal rail station future parking needs, and road access to either Merrow Court or Buena Vista/Greenwood Street. **MOTION: Hanley/Powers/ Approved 4:1 (No: Holmes)**

10. **Annual Business Improvement Districts (BID) Report Review and Resolution of Intention for Assessment for FY 2008-2009**

Administrative Manager Joanna Belanger introduced the item. She said the City collects assessments on behalf of the Old Town and Downtown Improvement Districts. She explained the three resolutions proposed to the Council. She said the assessments are for the sole benefit of the businesses within the areas. She said the Old Town Business District is proposing an increase to its assessment fees.

Harvey Roper, President Downtown Business Association, presented his district's report to the Council. He summarized what was accomplished last year and what is proposed for the coming year. Council questions and comments followed.

Ty Rowe, President of Old Town Business Association, presented his district's report to the Council. He stated his district is proposing a nominal rate increase. He said the district is proposing "to try to bridge the gap between Old Town and Downtown" with the increase. He said the monies have been focused on the lower part of town, mostly ignoring the upper part of the business district. He said that part of the business district would be provided with such things as holiday decorations and flowers as displayed in the lower part of town. Additionally, a new business directory will be created to include all of the professional services of the area as well as retail and restaurants. He said other current projects will be continued and new projects and promotions will be undertaken. Council questions and comments followed.

Gary Lord, 30-year business owner in Old Town, advised the Council that there was a billboard for traffic coming from the east about twelve years ago. He said the billboard started out about four to six thousand dollars a year. He said the boards for traffic heading for Reno cost two or three times as much. He said they rented half a board for traffic heading east which started out at eight to nine thousand yearly and increased to twenty-five thousand annually. At that time the Old Town Business District gave up the board because it was no longer affordable. He said it was a very valuable marketing plan. He said they want to assess themselves so that



EXHIBIT C



***Report to the
Auburn City Council
and Urban Development
Authority***

Action Item

Agenda Item No.

City Manager's Approval

To: Mayor and City Council Members
From: Robert Richardson, City Manager
 Wilfred Wong, Community Development Director
Date: April 14, 2008
Subject: Blocker Drive Recommendation

The Issue

What should be done with the Blocker Drive property owned by the Auburn Urban Development Authority (AUDA)?

Conclusions and Recommendations

Staff recommends that the City Council take the following action:

By Motion, direct staff to continue working with the developer for the Baltimore Ravine Specific Plan to determine the impact upon City services and finalize steps needed to determine the feasibility of a new corporation yard, fire station with storage area to accommodate safety vehicles, multi-modal rail station future parking needs, and road access to either Merrow Court or Buena Vista/Greenwood Street.

Background

The Auburn Urban Development Agency (AUDA) owns a 12.6 acre vacant parcel on Blocker Drive (Exhibit A). Originally, the City's corporation yard and the subject 12.6 acre parcel were purchased from Southern Pacific in 1973/74. During this time the City was searching for a location to build their corporation yard and decided Blocker Drive was more appropriate than a site at the Airport Industrial Park. The existing City corporation yard was constructed from a portion of the Southern Pacific purchase.

In 1997 the AUDA purchased the 12.6 acre parcel for \$350,000 from the City of Auburn with affordable housing funds. No decision has been made on the development parameters for the parcel. Recently, the City Council directed staff to study the development options for the site.

Currently the City of Auburn General Plan designates the subject property as Urban Low Density Residential with a maximum density of four units per acre (ULDR 4 du/ac). The creek/wetlands that flows along the westerly property line has a General Plan designation of Open Space. The

zone district for the property is Industrial Park/Single-Family Residential 10,000 sq.ft. minimum lot size/Open Space and Conservation (M-1/R-1-10/OSC)

The AUDA's Blocker Drive parcel is surrounded by a variety of land uses. To the north is the Creekside office complex and the City's multi-modal station (rail and bus transfer station), to the west are single-family dwellings (Hidden Creek Subdivision) and the City's corporation yard, to the south are single-family dwellings (Prospect Hill), and to the east is the Union Pacific railroad track and City's rail commuter parking lot. The City owns additional land south of the existing rail parking lot that was donated to the City when Union Pacific and Southern Pacific merged (Exhibit B). The use of this land has not been decided. Also, to the west is a creek/wetland, which could be maintained as a natural feature.

Primary access to the parcel will be from Blocker Drive through the City's rail parking lot. Additional access is anticipated from Merrow Court or Buena Vista/Greenwood Street (Exhibit C). No engineering has been completed to analyze the feasibility of the Merrow Court or Buena Vista Street/Greenwood Street access points, but note the City's General Plan Circulation Element states:

- Goal 2: Create a continuous, interrelated street network that is user-friendly for both vehicular and pedestrian traffic including, but not limited to, avoiding walled projects, dead end streets, and barricades.
- Policy 2.4 The City shall construct pedestrian and emergency vehicle access where a logical connection can be made to existing streets, bikeways, future development or emergency access roads.
- Policy 2.5 The City shall prohibit obstructions to through traffic by constructing barricades.

Also, providing a road connection from Blocker Drive to Merrow Court or Buena Vista Street/Greenwood Street would address emergency access concerns expressed by residents in the Hidden Creek and Prospect Hill subdivisions.

Staff believes that the 12.6 acre Blocker Drive and remaining railroad parcel (Exhibits A and B) could provide an opportunity for the City to consolidate several uses, and meet City departments' current and future needs. Following is a brief discussion:

- Public Works corporation yard. Provide additional area for storage of equipment, materials, debris and parking.
- Fire and Police. Provide a fire station north of Interstate 80 with storage area to accommodate safety vehicles. There is a need to find a secure place to store the fire safety trailer, police DUI vehicle, police/fire investigation unit, fire cook trailer, SWAT vehicle and other safety vehicles.
- Multi-modal rail station future parking needs. Per October 2005 Auburn-Oakland Regional Rail Service, Service Concept and Implementation Plan, the estimated weekday parking demand in 2020 will be 259 parking spaces. There exists approximately 109 parking spaces.

Below is an estimation of the existing acreage and needs/constraints acreage:

Blocker Drive and Remainder Railroad Parcel Acreage

1. Blocker Drive property (AUDA12.60 acres
2. Remainder railroad parcel (City)0.98 acre
3. **Total13.58 acres**

Need/Constraints Acreage

1. Existing corporation yard.....1.67 acres
2. Corporation yard expansion.....1.00 acre
3. Fire and Police1.50 acres
4. Future parking lot needs for multi-modal rail
Station1.82 acres
5. Road access to Merrow or Cedar/Greenwood0.90-1.14 acres
6. Tree line, possible wetlands.....3.94 acres
7. **Total11.07 acres**

Note there's approximately an additional 2.32 acres owned by the City/AUDA if you include the existing rail parking lot and the tree (possible wetlands) area, which is east of the corporation yard, south of Blocker Drive, north of the 12.6 acre parcel and west of the railroad track. The total of City/AUDA owned land is approximately 15.90 acres (Exhibit D).

Alternatives Available; Implications of Alternatives

1. Proceed with staff recommendation to continue working with the developer for the Baltimore Ravine Specific Plan to determine the impact upon City services and finalize steps needed to determine the feasibility of a new corporation yard, fire station with storage area to accommodate safety vehicles, multi-modal rail station future parking needs, and road access to either Merrow Court or Buena Vista Street/Greenwood Street.
2. Direct staff to proceed with an affordable housing project on the Blocker Drive property.
3. Direct staff to formulate other development options.

Fiscal Impact

None at this time.

Additional Information

For additional information see the following Exhibits:

- A. 12.6 acre parcel owned by AUDA known as the Blocker Drive property.
- B. Additional land south of the existing rail parking lot that was donated to the City when Union Pacific and Southern Pacific merged.
- C. Potential road connection from Merrow Court or Buena Vista Street/Greenwood Street.
- D. All City and AUDA properties on Blocker Drive.
- E. Aerials.

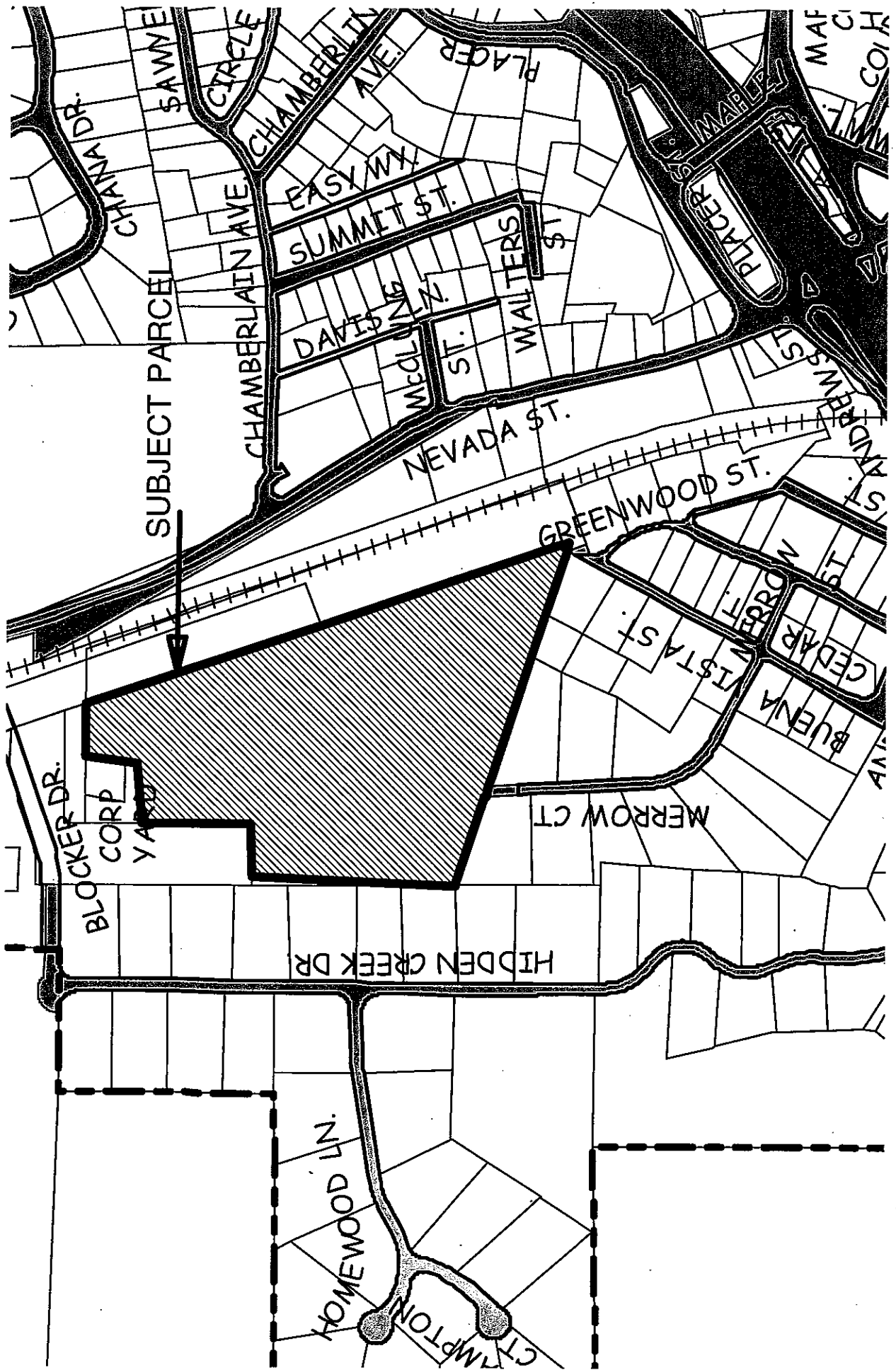


EXHIBIT A

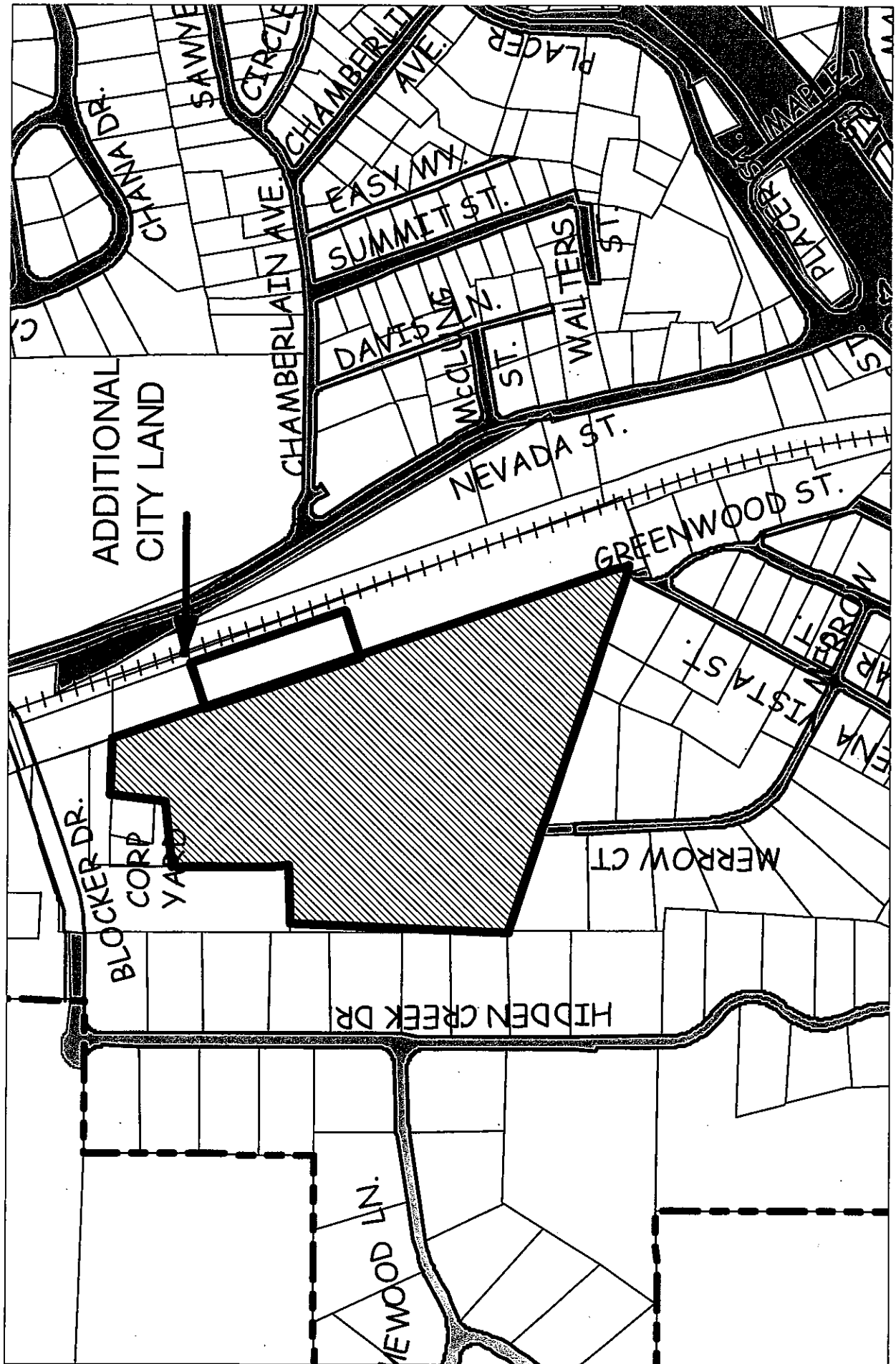


EXHIBIT B

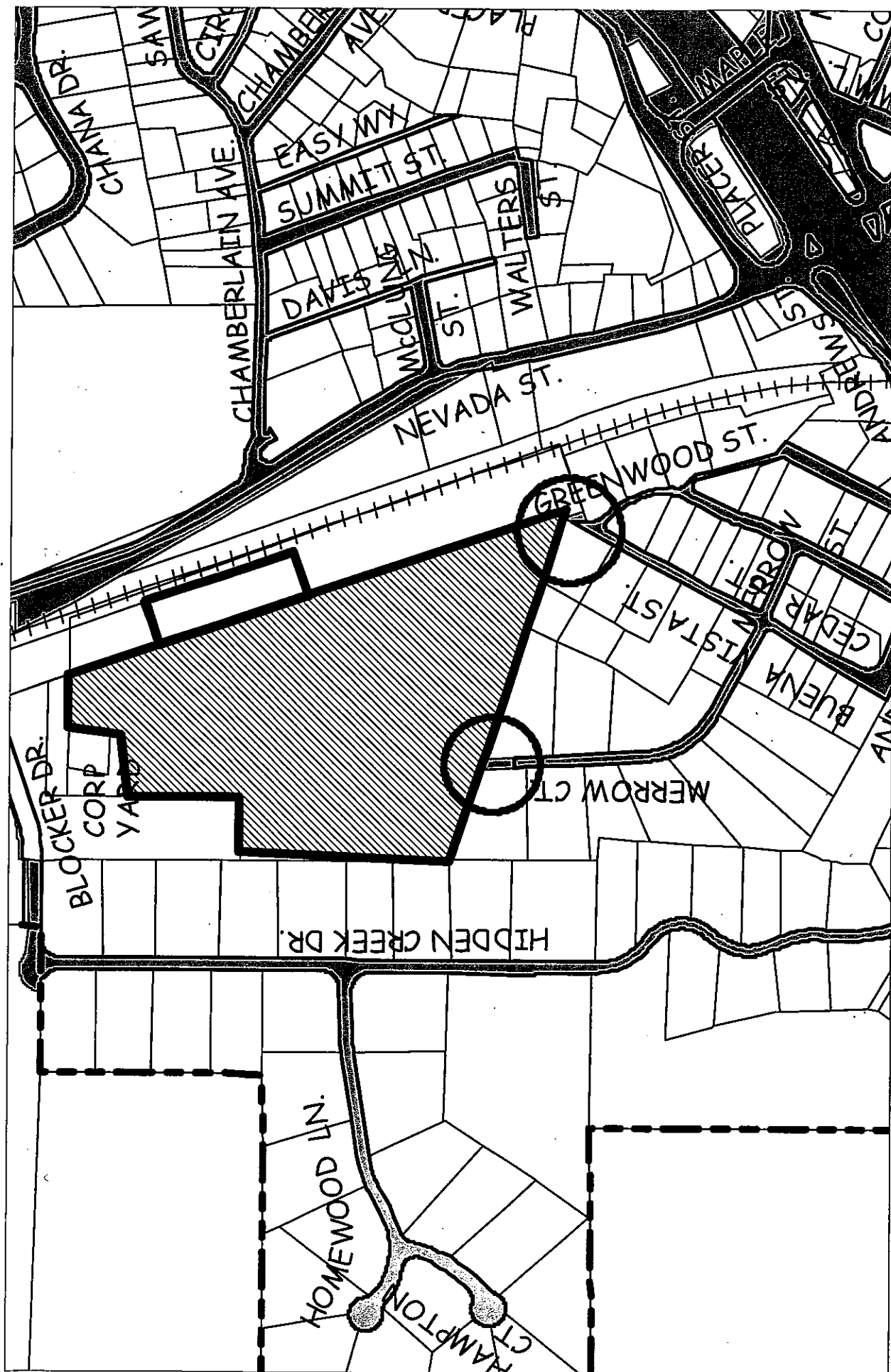


EXHIBIT C

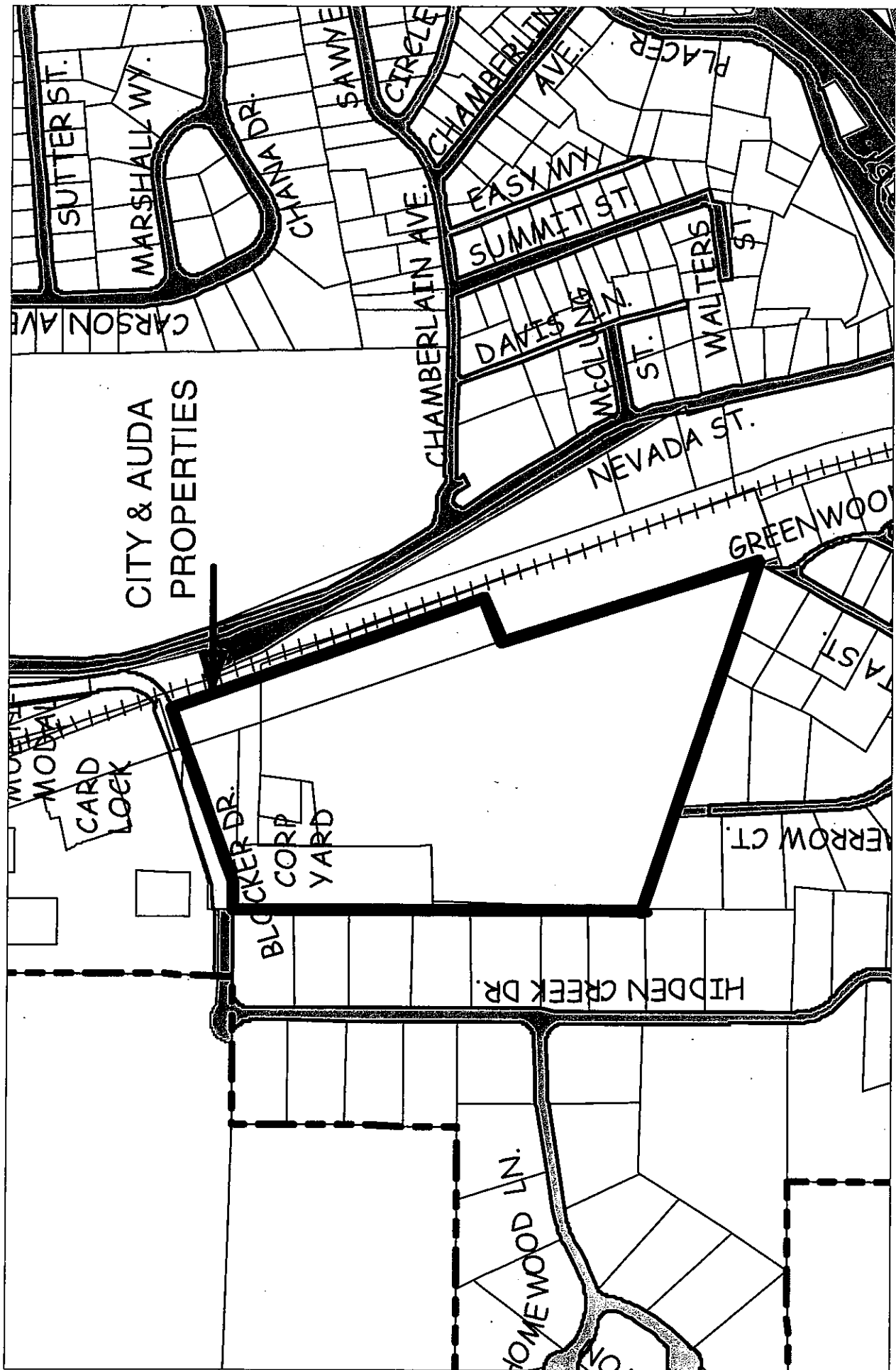
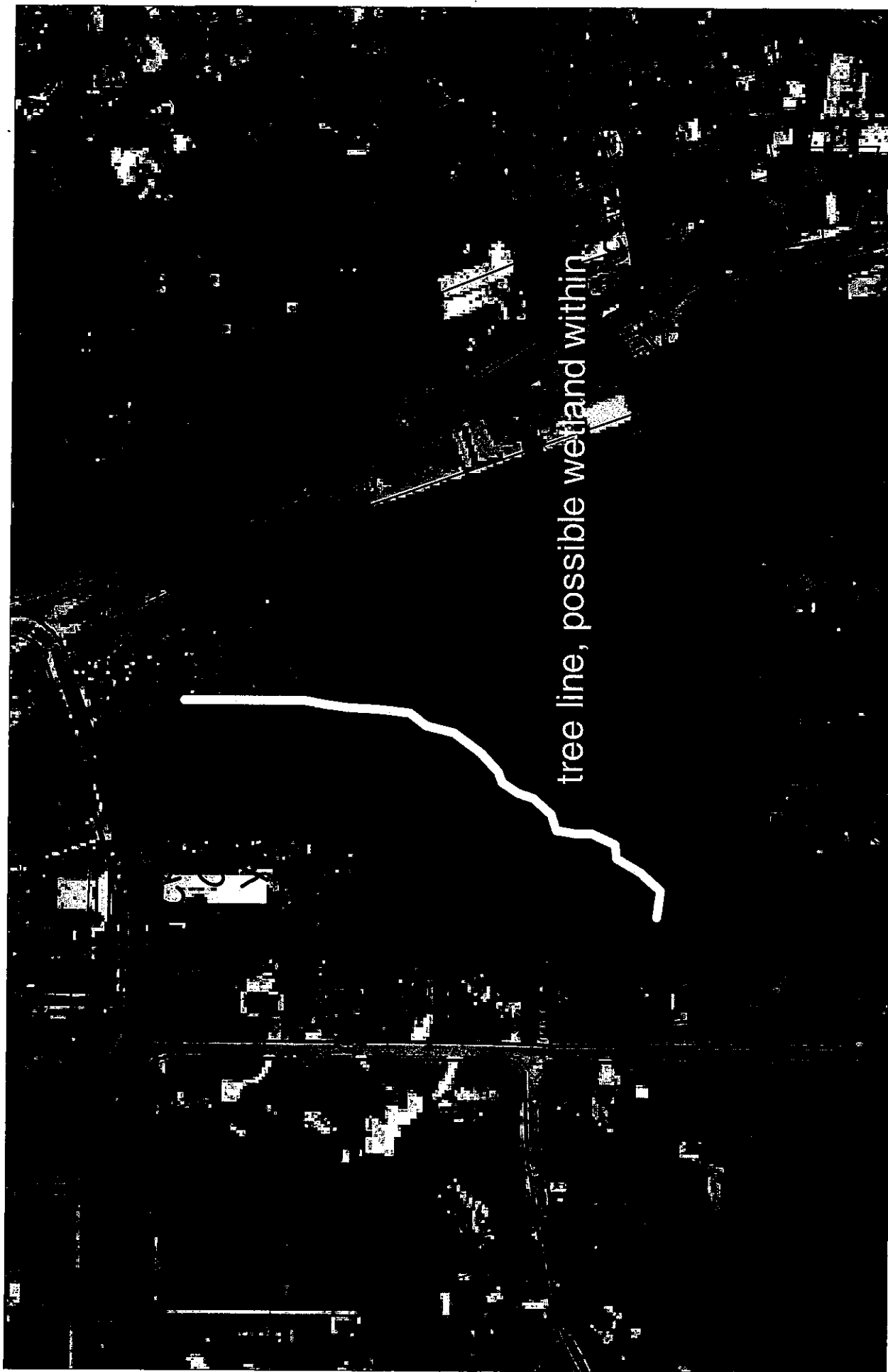


EXHIBIT D



tree line, possible wetland within

EXHIBIT E 1 of 2



EXHIBIT E 2 of 2